

LYNCHBURG CITY COUNCIL
Agenda Item Summary

MEETING DATE: **June 10, 2003**

AGENDA ITEM NO.: 13

CONSENT:

REGULAR: **X**

CLOSED SESSION:
(Confidential)

ACTION: **X**

INFORMATION:

ITEM TITLE: **Community Development Block Grant (CDBG) Program Funding Reallocation For Fiscal Year (FY) 04**

RECOMMENDATION: Motion to revise the funding amount for eleven (11) public service activity projects that was previously approved in the Community Development Block Grant (CDBG) Fiscal Year 04 Action Plan.

SUMMARY: Federal regulations for the CDBG Program require that no more than 15 percent of the annual entitlement amount plus the previous year's program income may be allocated to provide public service activities (including labor, supplies, materials). Due to an oversight, the City's Action Plan exceeded the 15 percent public service cap. Those projects designated as a public service activity must be reduced and the funds reallocated to another project(s).

It is recommended that the funding for the 11 agencies that are eligible as public service activities each be reduced by 15.2 percent and that the funds be reallocated to the Downtown Wayfinding Signage System.

PRIOR ACTION(S): March 11: Public hearing by City Council
March 25: Work session by City Council
April 8: Meeting of City Council to approve CDBG allocations for FY 04.

FISCAL IMPACT: Reappropriation within the CDBG total allocation.

CONTACT(S): Rachel Flynn – 847-1435 – VM – 253
Melva Walker – 847-1671 – VM - 252

ATTACHMENT(S): Revised Worksheets for Project Allocations

REVIEWED BY: lkp

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) AND HOME PROGRAMS

*PUBLIC SERVICE ACTIVITY

2003-2004 TWENTY-NINTH YEAR PROPOSALS						
	ENTITLEMENT AMOUNT:		\$	1,086,000		
	PROGRAM INCOME (ESTIMATED):			101,982		
	TOTAL TO BE APPROPRIATED:		\$	1,187,982		
PAGE NO.	PROPOSAL	EXISTING 2002-03 CDBG BUDGET	2003-2004 REQUESTED FUNDING	COMMUNITY DEVELOPMENT ADVISORY COMMITTEE RECOMMENDATIONS	CITY COUNCIL RECOMMENDATIONS- 4/8/03	CITY COUNCIL REVISED RECOMMENDATIONS- 6/10/03
1	Program Administration (City/CP & Dev.)	\$ 62,000	\$ 60,000	\$ 60,000	\$ 60,000	\$ 60,000
7	Neighborhood Initiatives (City/CP & Dev.)	182,000	112,990	112,990	112,990	112,990
14	Housing Stabilization Prog. (City/Inspections Div.)	79,500	79,500	79,500	-	-
19	YWCA Town Center Rest. (YWCA)	6,000	10,000	10,000	10,000	10,000
26*	Ways to Work Program (Alliance for Families & Children)	20,000	30,000	30,000	30,000	25,440
44*	The Gateway (New Land Samaritan Inn)	10,000	30,000	30,000	30,000	25,440
54*	Legacy Museum of African American History (The Legacy Project, Inc.)	20,500	28,500	13,500	13,500	11,448
73*	YWCA Domestic Violence Prevention Ctr. (YWCA)	10,000	21,000	21,000	21,000	17,808
82	Housing Improvement Prog. (Lyn-CAG)	102,000	150,000	150,000	150,000	150,000
94	Technical Services (Direct Costs and Administrative) (LRHA)	120,663	130,529	130,529	130,529	130,529
104	College Hill Acquisition/ Stabilization (LRHA)	85,090	144,650	78,700	78,700	78,700
116	Spot Blight Abatement/ Acquisition (LRHA)	150,000	160,475	160,475	160,475	160,475
130	Maintenance of Acquired Properties (LRHA)	33,600	51,510	51,510	51,510	51,510
139*	Rush Homes of Central Virginia (Rush Lifetime Homes)	9,000	9,000	9,000	9,000	7,632
152*	Improvement to Recreational Program (Dance Theatre)	15,000	23,000	23,000	23,000	19,504
165*	Enhancing Special Needs Housing Opportunities (Miriam's House)	34,324	25,000	25,000	25,000	21,200
175	Lynchburg Community Loan Fund (Lynchburg Community Loan Fund)	55,000	55,000	55,000	55,000	55,000
187	Downtown Wayfinding Signage System (Lynch's Landing)		89,000	-	-	31,510
192	Seeds For Life Housing Rehab. (Seeds for Life)		167,000	61,978	66,478	66,478
208*	Camp Kum-Ba-Yah Scholarship Assistance (Camp Kum-Ba-Yah, Inc.)		27,500	27,500	27,500	23,320

*PUBLIC SERVICE ACTIVITY

2003-2004 TWENTY-NINTH YEAR PROPOSALS						
	ENTITLEMENT AMOUNT:		\$ 1,086,000			
	PROGRAM INCOME (ESTIMATED):		101,982			
	TOTAL TO BE APPROPRIATED:		\$ 1,187,982			
	PROPOSAL	EXISTING 2002-03 CDBG BUDGET	2003-2004 REQUESTED FUNDING	COMMUNITY DEVELOPMENT ADVISORY COMMITTEE RECOMMENDATION	CITY COUNCIL RECOMMENDATIONS- 4/8/03	CITY COUNCIL REVISED RECOMMENDATIONS- 6/10/03
214	Re-Installation of Building Elevator (Free Clinic of Central VA., Inc.)		\$ 79,200	-	-	-
224	Recreational Facility Development & Preservation (Dance Theatre of Lynch., Inc.)		30,000	\$ 30,000	\$ 30,000	\$ 30,000
237*	Sponsored Admissions & Inside-Out Outreach Programs (Amazement Square, The Nightmare Children's Museum)		15,000	15,000	15,000	12,720
244*	White Rock Hill After School Program (White Rock Hill Education Center)		6,300	6,300	6,300	5,342
252*	White Rock Hill Summer Enrichment Camp (White Rock Hill Education Center)		7,000	7,000	7,000	5,936
261	Jubilee Occupational Outreach Program & Feeder Program(Jubilee Family Development Ctr.)		125,000	-	75,000	75,000
	Total CDBG Funds Requested		\$ 2,957,118	\$ 1,187,982	\$ 1,187,982	\$ 1,187,982
NOTE: Recommendations from CDAC Committee for following projects are revised from application requests.						
Legacy Museum of African American History - Traveling exhibit omitted.						
Improvements to Recreational Program (Dance Theatre) - Funds to be used for program materials and scholarships.						
White Rock Hill After School Program and Summer Enrichment Camp - Utilities and insurance items omitted.						
Jubilee Occupational Outreach Program - Funds to be used for acquisition of property at 1516 Florida Avenue.						
<u>BROAD NATIONAL OBJECTIVES OF THE CDBG PROGRAM</u>						
1. BENEFIT TO LOW AND MODERATE INCOME INDIVIDUALS						
2. AID IN THE ELIMINATION OF SLUMS & BLIGHTED AREAS						
3. MEET AN URGENT COMMUNITY NEED (NATURAL DISASTER...HURRICANE, FLOOD, ETC.)						
<u>CITY COUNCIL LOCAL PRIORITIES</u>						
* PROVIDE OPPORTUNITIES FOR HOME OWNERSHIP FOR LOW- AND MODERATE INCOME BUYERS.						
* REDUCTION IN THE NUMBER OF SUBSTANDARD HOUSING UNITS.						
* REGIONAL COOPERATION OF AFFORDABLE HOUSING OPPORTUNITIES AND SPECIAL NEEDS HOUSING THROUGHOUT THE CENTRAL VA. PLAN. DIST.						
HOUSEHOLDS AND SPECIAL NEEDS POPULATION THROUGHOUT THE CVPD.						
* ECONOMIC DEVELOPMENT EFFORTS WHICH EXPAND JOB OPPORTUNITIES.						
* ELIMINATION OF DETERIORATION, BLIGHT, AND BLIGHTING INFLUENCES.						
* IMPROVEMENT OR DEVELOPMENT OF NEIGHBORHOOD AND COMMUNITY CENTERS						
* PARK AND RECREATION IMPROVEMENTS IN RELATION TO COMMUNITY NEED.						
* PRESERVATION OF PROPERTIES OF SPECIAL HISTORIC, ARCHITECTURAL, OR AESTHETIC REASONS.						

2003-2004
HOME PROPOSALS

		GRANT AMOUNT:		\$475,955	
		PROGRAM INCOME RECEIVED (1703 Grace St):		40,950	
		RETURN OF GRANT FUNDS (CHDO (1703 Grace St):		82,761	
		TOTAL TO BE APPROPRIATED:		\$599,666	
PAGE NO.	PROPOSAL	EXISTING 2002-03 HOME BUDGET	2003-2004 REQUESTED FUNDING	COMMUNITY DEVELOPMENT ADVISORY COMMITTEE RECOMMENDATION	CITY COUNCIL RECOMMENDATIONS
282	Letter - HOME Applicants' Revised Funding Proposals				
283	HOME Administration (City)	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,000
286	HOME Administration (Lybg. Neigh. Dev. Found.)	34,200	34,200	\$ 34,400	34,400
291	Lynchburg Homeownership (Lybg. Neigh. Dev. Found.)	155,000	240,000	170,000	170,000
297	First Time Homebuyer Program-CHDO (Lyn-Cag)	69,600	72,600	136,393	136,393
304	Substantial Rehabilitation Program (Lyn-Cag)	93,884	150,000	95,000	95,000
312	Affordable Homes for Adults with Disabilities (Rush Lifetime Homes, Inc.) (CHDO Project)	5,000	10,000	21,873	21,873
321	Central City Homes (Lybg. Neigh. Dev. Found.)	60,000	100,000	70,000	70,000
327	Development for Homeownership Opportunity (Greater Lynchburg Habitat for Humanity)	60,000	72,000	60,000	60,000
	Total	\$ 489,684	\$ 690,800	\$ 599,666	\$ 599,666
	THE GRANT FUNDS THAT WERE RETURNED TO HUD FOR 1703 GRACE STREET MUST BE REALLOCATED TO CHDO PROJECTS AS ORIGINALLY APPROVED BY CITY AND HUD (\$82,761).				
	Allocation of funds is as follows:				
	Lynchburg Community Action Group - \$65,000				
	Rush Life Homes - \$17,761				
	THE CITY IS REQUIRED TO SET ASIDE A MINIMUM OF 15% OF ITS ANNUAL ALLOCATION FOR COMMUNITY HOUSING DEVELOPMENT ORGANIZATIONS (CHDO) (\$68,100)				
	Allocation of funds is as follows:				
	Lynchburg Community Action Group - \$71,393				
	Rush Lifetime Homes - \$4,112				
	ADMINISTRATION SET ASIDE - 10% ALLOWABLE ALLOCATION - (\$45,400)				